

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

M
R
S

L.D. 1950

2
4
DATE: 3/30/98

(Filing No. H-1114)

6 Reproduced and distributed under the direction of the Clerk of
the House.

8
10
12
14
**STATE OF MAINE
HOUSE OF REPRESENTATIVES
118TH LEGISLATURE
SECOND REGULAR SESSION**

16 HOUSE AMENDMENT "I" to COMMITTEE AMENDMENT "A" to H.P.
18 1397, L.D. 1950, Bill, "An Act to Make Supplemental
20 Appropriations and Allocations for the Expenditures of State
Government and Changes to Certain Provisions of the Law Necessary
to the Proper Operations of State Government for the Fiscal Years
Ending June 30, 1998 and June 30, 1999"

22 Amend the amendment by inserting after Part DDD the
24 following:

26
28
PART EEE

30
32
34
36
38
40
42
44
Sec. EEE-1. 36 MRSA §1752, sub-§3-B, as amended by PL 1991,
c. 846, §17, is further amended to read:

30
32
34
36
38
40
42
44
3-B. Grocery staples. "Grocery staples" means food
products ordinarily consumed for human nourishment and includes,
but is not limited to, cereals and grain products, including
bread, rolls and unflavored matzo; milk and milk products;
oleomargarine; meat and meat products; fish and seafood products;
poultry; eggs and egg products; vegetables and vegetable
products, including pickles; fruit and fruit products, including
fruit juices and fruit sauces; naturally flavored powdered or
liquid drink mixes or drinks; spices, condiments, including jams,
jellies and peanut butter, salt and sugar; coffee and tea; and
unroasted nuts.

42
44
"Grocery staples" does not include spirituous, malt or vinous
liquors; soft drinks, iced tea, sodas or beverages such as are
ordinarily dispensed at bars or soda fountains or in connection
with bars or soda fountains; medicines, tonics, vitamins and

HOUSE AMENDMENT

R 48

preparations in liquid, powdered, granular, tablet, capsule, lozenge or pill form, sold as dietary supplements or adjuncts, except when sold on the prescription of a physician; water, including mineral bottled and carbonated waters and ice; dietary substitutes; ~~snaek-feed~~; candy and confections, chewing gum, ice cream novelties; frozen confections; and prepared food.

8 **Sec. EEE-2. 36 MRSA §1752, sub-§14-C**, as enacted by PL 1991, c. 591, Pt. WW, §2 and affected by §4, is repealed.

10 **Sec. EEE-3. 36 MRSA §5111, sub-§§1-A, 2-A and 3-A**, as enacted by PL 1991, c. 591, Pt. YY, §2 and affected by §7, are amended to read:

14 **1-A. Single individuals and married persons filing separate returns.** For single individuals and married persons filing separate returns:

| If Maine taxable income is: | The tax is: |
|---|--|
| 20 Less than \$4,050 <u>\$4,150</u> | 2% of the Maine taxable income |
| 24 At least \$4,050 <u>\$4,150</u> but less than \$8,100 <u>\$8,250</u> | \$81 <u>\$83</u> plus 4.5% of the excess over \$4,050 <u>\$4,150</u> |
| 28 At least \$8,100 <u>\$8,250</u> but less than \$16,200 <u>\$20,000</u> | \$263 <u>\$268</u> plus 7% of the excess over \$8,100 <u>\$8,250</u> |
| 34 \$16,200 <u>\$20,000</u> or more | \$830 <u>\$1,091</u> plus 8.5% of the excess over \$16,200 <u>\$20,000</u> |

38 **2-A. Heads of households.** For unmarried individuals or legally separated individuals who qualify as heads of households:

| If Maine taxable income is: | The tax is: |
|---|--|
| 44 Less than \$6,100 <u>\$6,200</u> | 2% of the Maine taxable income |
| 46 At least \$6,100 <u>\$6,200</u> but less than \$12,150 <u>\$12,400</u> | \$122 <u>\$124</u> plus 4.5% of the excess over \$6,100 <u>\$6,200</u> |

HOUSE AMENDMENT

2 At least ~~\$12,150~~ \$12,400 but ~~\$394~~ \$403 plus
4 less than ~~\$24,300~~ \$30,000 7% of the
6 ~~\$24,300~~ \$30,000 or more ~~\$12,150~~ \$12,400
8 ~~\$1,245~~ \$1,636
10 plus 8.5% of the
12 excess over
14 ~~\$24,300~~ \$30,000

12 **3-A. Individuals filing married joint return or surviving**
14 **spouses. For individuals filing married joint returns or**
16 **surviving spouses permitted to file a joint return:**

| 16 | If Maine taxable income is: | The tax is: |
|----|---|---|
| 18 | Less than \$8,100 <u>\$8,250</u> | 2% of the Maine taxable income |
| 20 | | |
| 22 | At least \$8,100 <u>\$8,250</u> but less than \$16,200 <u>\$16,500</u> | \$162 <u>\$165</u> plus 4.5% of the excess over \$8,100 <u>\$8,250</u> |
| 24 | | |
| 26 | At least \$16,200 <u>\$16,500</u> but less than \$32,400 <u>\$40,000</u> | \$527 <u>\$536</u> plus 7% of the excess over \$16,200 <u>\$16,500</u> |
| 28 | | |
| 30 | \$32,400 <u>\$40,000</u> or more | \$1,661 <u>\$2,181</u> plus 8.5% of the excess over \$32,400 <u>\$40,000</u> |
| 32 | | |
| 34 | | |

36 **Sec. EEE-4. 36 MRSA §5126, first ¶, as amended by PL 1997, c.**
38 **24, Pt. E, §2, is further amended to read:**

40 A For income tax years beginning on or after January 1, 1998
42 but before January 1, 1999, a resident individual is allowed
44 \$2,100 \$2,400 for each exemption to which the individual is
46 entitled for the taxable year for federal income tax purposes,
48 unless the taxpayer is claimed as a dependent on another return.
50 No For income tax years beginning on or after January 1, 1999, a
resident individual is allowed \$2,750 for each exemption to which
the individual is entitled for the taxable year for federal
income tax purposes, unless the taxpayer is claimed as a
dependent on another return. An additional exemption may be is
not allowed for taxpayers over 65 years of age or blind. The
nominal-dollar-amount-of-this-section-is-subject-to-adjustment

R 46.

~~pursuant to Title 5, section 1518.~~

2
4
6
8
10
12
14
16
18
20
22
24
26
28
30
32
34
36
38
40
42
44
46
48

Sec. EEE-5. 36 MRSA §5126, 2nd ¶, as enacted by PL 1997, c. 24, Pt. E, §2, is amended to read:

For tax years beginning on or after January 1, 1999 ~~2000~~, the nominal dollar amount of this section is also subject to annual adjustment by multiplying it by the percentage adjustment factor defined in section 5402, subsection 2 and rounded down to the nearest \$50. If any adjustment is made pursuant to this paragraph, it is effective for the current taxable year and is incorporated into the income tax forms and instructions of the State Tax Assessor for that taxable year.

Sec. EEE-6. 36 MRSA §5219-N, sub-§1, as enacted by PL 1997, c. 557, Pt. E, §1 and affected by Pt. E, §2 and Pt. G, §1, is amended to read:

1. **Generally.** Except as otherwise provided by this section, ~~an individual whose state taxable income is \$2,000 or less is allowed~~ a credit equal to the amount of the tax otherwise imposed ~~on that individual~~ by this Part is allowed as follows. In no case may the credit allowed by this section reduce an individual's state income tax liability to less than zero. The following persons are entitled to a credit under this subsection:

A. For tax years beginning in 1998:

(1) Single individuals and married persons filing separate returns with Maine taxable income below \$4,150;

(2) Heads of households with Maine taxable income below \$6,200; and

(3) Individuals filing married joint returns or surviving spouses with Maine taxable income below \$8,250; and

B. For tax years beginning in 1999:

(1) Single individuals and married persons filing separate returns with Maine taxable income below \$8,250;

(2) Heads of households with Maine taxable income below \$12,400; and

(3) Individuals filing married joint returns or surviving spouses with Maine taxable income below \$16,500.

RWS.

HOUSE AMENDMENT "I" to COMMITTEE AMENDMENT "A" to H.P. 1397,
L.D. 1950

2 This amendment also expands the individual income tax 7%
3 bracket for all categories of filers by raising the Maine taxable
4 income that applies to that bracket and the 8.5% bracket.

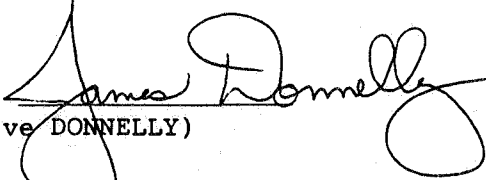
6 This amendment also increases the individual income tax
7 personal exemption in a 2-step process in an attempt to conform
8 with the federal individual income tax personal exemption.

10 This amendment also expands the low-income tax credit
11 originally established in Public Law 1997, chapter 557, Part E,
12 section 1.

14 This amendment funds the repeal of the snack tax, the
15 expansion of the 7% tax bracket and the increase in the personal
16 exemption and low-income tax credit with funding from the Maine
17 Rainy Day Fund.

18

20

SPONSORED BY: 
(Representative DONNELLY)

22

TOWN: Presque Isle

24